

## **EXHIBIT 12**

Meeting Wed. 5/22 at 816  
w/ Jeff McCarty & myself.

- Sat down with Jeff and received all my concerns with Jeff about his ability to turn his team around at 811. Major concerns were morale, Team building, and Jeff's overall commitment to being Manager at 811.
- Explained to Jeff that many times I have talked about these issues on store visits, Quality Time E-mail and that things are not improving.
- A stated that in Jeff's best interest, because we still wanted his as part of our organization that continuing to be manager of 811 would not work and that a change needed to happen.
- Offered to try and keep Jeff as close to his present salary as possible while he pursued other corporate opportunities or while he stepped back to A.M. or M.I.T position.
- Jeff left the meeting accepting the decision & also allowed Jeff to say he resigned his position to save credibility in Walter's rumor land.

Meeting Wed 5/22

SALES.		+36,980	
SHRINK	12,523.	<43207	
SPOILAGE	20,608	<49897	
CASH	405	<1907	
P. COST. %61	37.3	<36.47	- 9 WORSE
INCOME OPS.	177,267	<10717	
	cur.	PR.	
TURNOVER	19.26	14.13	

~~TOP~~ LAUREN SEAS  
 JASON POLM.  
 TORARA TELBERT  
 JOSHUA BARDWIN  
 JILL WYSHOCK.  
 JOANNE HARLEY  
 WANDA SOWER.

TEAMBUILDING/MORALE. - POOR AT BEST  
 - "LOVE - SUCK AS MGR."  
 - PEOPLE READY TO LEAVE.  
 - TEAMBUILDING  
 - COMMITMENT. -

JEFF - SET DATES. - FORGOT  
 - DATES FOR SERV-SAFE  
 - HEADS UP ON 4/15.  
 - SCHEDULED RES.  
 - COMMITMENT TO MGR. POSITION.  
 - SHRINK ACTION PLAN.  
 - ?  
 - ROTATING SCHEDULES.  
 - SPOILAGE ??  
 - FEEDBACK ON FIRST TOWEL DAY. 5/15

W - 00201

A-76

Notes from Meeting

- Jeff - mentioned his concern about what the Wal-Mart "people" would say about leaving the store. I said to him that to avoid that concern, you could say you want to resign your position to pursue other opportunities in Wal-Mart.
- Thanked me for showing concern for him, and trying to do the right thing for him & his career.
- he stated he really felt "pressure was off" now. that he was stressed.
- "Someday I going to look back on this day and thank me for having this meeting today"
- Hug me and said Thanks Joe.

I also suggested, if he was concerned about what people say for him to go to the store and thank the crew and explain he was stepping back to pursue other opportunities.